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U.S. DROPS EFFORTS ON SENSITIVE DATA

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WASHINGTON, March 17 — Under fire from a House committee, the Reagan Administration has rescinded a plan to tighten control over the release of potentially sensitive unclassified information stored in computers or transmitted electonically.

The plan was intended to frustrate attempts by foreign intelligence agents to ferret out secret data by piecing together a "mosaic" from the wide range of data available to the public from computer data bases and elsewhere.

The policy, approved last year by Vice Adm. John M. Poindexter, then the President's national security adviser, called on Government agencies to identify sensitive unclassified information and to prevent its disclosure to those who could misuse it.

Assailed as Intrusive

In a subcommittee hearing today Admiral Poindexter invoked the Fifth Amendment in declining to testify on the policy.

Efforts to carry out the policy had been assailed by civil liberties groups and members of Congress. Among these efforts was an attempt to determine which computer data bases had been searched by an Iraqi graduate student at the State University of New

On another occasion, American officials asked for a list of subscribers of Mead Data Central, a company that markets data bases to many American newspapers and law firms. The company refused to provide the list.

York at Buffalo.

President Reagan authorized a broad effort to improve computer and communications security in a National Security directive in September 1984. An order implementing this policy was tional security adviser in November signed last October by Admiral Poindexter, who was called today before the National Security subcommittee of the House Government Operations Committee to explain it.

Rebuke From Lawyer

Admiral Poindexter, however, would not testify, citing his Fifth Amendment rights against self-incrimination. His attorney, Richard Beckler, rebuked the committee for calling Admiral Poindexter as a witness, remarks that in turn drew sharp rejoinders from committee members.

The announcement that the Poindexter plan was being rescinded was welcomed by Representative Jack Brooks. a Texas Democrat who is chairman of the committee. Mr. Brooks called the plan an effort to give the Pentagon Big Brother control over all the computer systems in the country.

In a letter to Representative Brooks, Howard H. Baker Jr., the White House chief of staff, said that Frank Carlucci, the national security adviser, "has moved promptly to rescind the policy directive which you have cited as troublesome."

"It is my hope that we can proceed in a cooperative fashion to reconcile with your committee whatever differences may remain in this instance," Mr. Baker said.

More Conciliatory Approach

Several Administration officials said the move reflected Mr. Baker and Mr. Carlucci's decision to take a more conciliatory approach toward Congress than their predecessors on national security issues. They said the Poindexter policy had been misunderstood and was an attempt to deal with a real threat from foreign intelligence services.

House aides noted that while the Poindexter plan had been dropped, the original Presidential order calling for improved computer and communications security remains in effect. In his letter to Mr. Brooks, Mr. Baker said the Administration was reviewing this directive "bearing in mind the points you have articulated so clearly.

Representative Brooks said that because of Admiral Poindexter's role in the program, he should be held publicly accountable. But Richard Beckler, Admiral Poindexter's lawyer, said Mr. Poindexter was not prepared to testify before Congress because the White House has refused to answer repeated requests for "relevant background documents."

Possible Link to Iran Inquiry

Additionally, he said, Admiral Poindexter could not testify on computer security because of possible connections between the issue and the investigations by two Congressional committees and the special counsel on the Iran arms affair.

Mr. Beckler also said he suspected the committee might well ask questions about subjects other than computer security, a claim that angered committee members.

Admiral Poindexter resigned as naafter the Administration disclosed that proceeds from the sale of arms to Iran had been diverted to the rebels in Nicaragua. He has refused to testify before committees investigating the arms af-

"We did not think that it would be necessary for us to remind the subcommittee that the House of Representatives amended its rules in the wake of the McCarthy hearings of the 1950's to prevent a Congressional hearing from

degenerating into a public spectacle,' said Mr. Beckler.

''Apparently, we were mistaken.''

'You're Kind of Crowding It'

Representative Brooks then asked Admiral Poindexter four questions. To each, he responded: "On the advice of counsel, I decline to answer that question, persuant to my rights under the Fifth Amendment."

The committee responded angrily to Mr. Beckler's comments, with Mr. Brooks showing growing impatience. Near the end of his opening statement, Mr. Brooks said: "I want you to understand that your testimony is not a matter of right. It's a matter of indulgence of the subcommittee, you're kind of crowding it."